

## RHS, RBS, RUS, FSA, USDA

## § 1943.3

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1943.88 Loan closing actions.  
1943.89–1943.91 [Reserved]  
1943.92 Servicing.  
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EXHIBIT A TO SUBPART B—MEMORANDUM OF UNDERSTANDING BETWEEN THE BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR AND THE FARMERS HOME ADMINISTRATION OR ITS SUCCESSOR AGENCY UNDER PUBLIC LAW 103–354, DEPARTMENT OF AGRICULTURE

### Subpart C—Small Farmer Outreach Training and Technical Assistance Program

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AUTHORITY: 5 U.S.C. 301; and 7 U.S.C. 1989.

SOURCE: 43 FR 55895, Nov. 29, 1978, unless otherwise noted.

### Subpart A—Direct Farm Ownership Loan Policies, Procedures, and Authorizations

SOURCE: 53 FR 35692, Sept. 15, 1988, unless otherwise noted.

#### § 1943.1 Introduction.

This subpart contains regulations for making initial and subsequent direct Farm Ownership (FO) loans. FO loans may be made to eligible farmers and ranchers, farm cooperatives, private domestic corporations, partnerships, and joint operations that will manage and operate not larger than family

farms. It is the policy of Farm Service Agency (FSA) or its successor agency under Public Law 103–354 to make loans to any qualified applicant without regard to race, color, religion, sex, national origin, marital status, age or physical/mental handicap provided the applicant can execute a legal contract. Any processing or servicing activity conducted pursuant to this subpart involving authorized assistance to FmHA or its successor agency under Public Law 103–354 employees, members of their families, known close relatives, or business or close personal associates, is subject to the provisions of subpart D of part 1900 of this chapter. Applicants for this assistance are required to identify any known relationship or association with an FmHA or its successor agency under Public Law 103–354 employee. See exhibit A of this subpart for making FP loans to entrymen on unpatented public lands.

[53 FR 35692, Sept. 15, 1988, as amended at 58 FR 227, Jan. 5, 1993; 58 FR 48282, Sept. 15, 1993; 61 FR 35925, July 9, 1996]

#### § 1943.2 Objectives.

The basic objective of the FO loan program is to provide credit and management assistance to eligible farmers and ranchers to become owners-operators of family-sized farms or to continue such operations when credit is not available elsewhere. Agency or its successor agency under Public Law 103–354 assistance enables family-farm operators to use their land, labor and other resources, and to improve their living and financial conditions so that they can obtain credit elsewhere.

[53 FR 35692, Sept. 15, 1988, as amended at 61 FR 35925, July 9, 1996]

#### § 1943.3 Management assistance.

Supervision will be provided borrowers to the extent necessary to achieve the objectives of the loan and to protect the interests of the Government in accordance with subpart B of part 1924 of this chapter. Such assistance consists of farm, home and nonfarm planning, recordkeeping; analyzing the farm and any nonfarm business; and giving management advice.